

Ordinance No. 2016-08

**ORDINANCE AUTHORIZING THE TOWNSHIP OF FLORENCE, IN THE
COUNTY OF BURLINGTON, NEW JERSEY TO ENTER INTO A FINANCIAL
AGREEMENT BETWEEN THE TOWNSHIP AND [FIRST FLORENCE I
URBAN RENEWAL, L.L.C. FOR CERTAIN PROPERTY WITHIN THE
ROUTE 130 REDEVELOPMENT AREA**

WHEREAS, on July 10, 2013, the Township Council (the "**Township Council**") of the Township of Florence, in the County of Burlington, New Jersey (the "**Township**") adopted Resolution 2013-147 declaring designated blocks and lots fronting Route 130 within the Township as an "Area In Need of Redevelopment" (the "**Route 130 Corridor Redevelopment Area**" or "**Redevelopment Area**") ; and

WHEREAS, the Township published notice that Resolution 2013-147 was adopted and after 45 days no actions were filed challenging such action;

WHEREAS, on August 23, 2013, the Township received notice from the Department of Community Affairs that the parcels identified in Resolution 2013-147 were effectively designated as a Redevelopment Area pursuant to the Local Redevelopment and Housing Law (N.J.S.A. 40A:12A-1 *et seq.*) (the "**Act**") ; and

WHEREAS, 400 Cedar Lane, identified as Block 148.06, Lot 2 on the Tax Maps of the Township, is a roughly 33.36 acre site within the Township (the "**Property**") and is located in the Route 130 Corridor Redevelopment Area; and

WHEREAS, First Industrial Realty Trust, Inc., is the owner of the Property (the "**Owner**") and has created or will create First Florence I Urban Renewal, LLC, a New Jersey Limited Liability Company which will act as redeveloper of the Property (the "**Redeveloper**"), which has requested the Township to use its redevelopment powers to assist in making development on the Property feasible and the Township has agreed to provide assistance to allow the Property to be developed for the benefit of the Township and the remaining parcels within the Redevelopment Area; and

WHEREAS, on October 21, 2015, the Township Council adopted Resolution 2015-231 directing the Planning Board of the Township of Florence (the "**Planning Board**") to develop a redevelopment plan for the Property in accordance with N.J.S.A. 40A:12-7(f); and

WHEREAS, the Planning Board directed its planning Consultant Barbara Fegley, AICP, PP of Environmental Resolutions, Inc. (the "**Professional Planner**"), to prepare a draft redevelopment plan concerning the Property; and

WHEREAS, on December 17, 2015, the Planning Board held a regularly scheduled meeting to review the draft plan entitled "Cedar Lane First Industrial Redevelopment Plan for Block 148.06, Lot 2, Florence Township, Burlington County, New Jersey" dated December 9,

2015, and prepared by Environmental Resolutions, Inc. and sealed by Barbara Fegley, Professional Planner (the "**Proposed Redevelopment Plan**"); and

WHEREAS, following a presentation by the Professional Planner and an opportunity for public comments, the Planning Board verbally approved the Proposed Redevelopment Plan with certain technical recommendations which were incorporated by the Professional Planner in a draft of the proposed Redevelopment Plan dated December 9, 2015 and Revised on December 29, 2015, and directed the attorney for the Planning Board to communicate such approval to the Township via a letter from the Planning Board attorney dated December 30, 2015 and such approval was memorialized by the Planning Board on January 26, 2016 through Resolution PB 2016-02; and

WHEREAS, on January 20, 2016, the Township Council finally adopted Ordinance 2016-02 accepting the Proposed Redevelopment Plan as revised on December 29, 2015 as a redevelopment plan for the Property (the "**Redevelopment Plan**"); and

WHEREAS, the Owner has or will transferred ownership of the Property to the Redeveloper prior to the beginning of construction of the Project; and

WHEREAS, the Redeveloper will enter into a Redevelopment Agreement with the Township (the "**Redevelopment Agreement**") to redevelop or cause the redevelopment of the Parcel with a warehouse, distribution and logistics facility with accompanying office space and other uses permitted by applicable zoning and the Redevelopment Plan (the "**Project**"); and

WHEREAS, the Redeveloper has been, or will prior to the execution of the Financial Agreement (as hereinafter defined) be, duly organized and created as an limited dividend entity under the Long Term Tax Exemption Law, codified at N.J.S.A. 40A:20-1 *et seq.* (the "**LTTE**"), and

WHEREAS, on February 23, 2016, the Township through the Planning Board, granted the necessary land use approvals for the Project and the Owner, or Redeveloper will apply to the Township Planning Board for any amendments to such approvals, if required, all of which will be in accordance with the Redevelopment Plan; and

WHEREAS, the Project will consist of a warehouse, distribution, and logistics center with ancillary office functions, and related site improvements and off-tract improvements, which the Redeveloper shall cause to be constructed on the Property in accordance with the site plan approved by the Planning Board on February 23, 2016 by way of Resolution No. PB-2016-10. Under the approvals, the Redeveloper may construct the Project consisting of a building in the approximate size of 577,200 square feet and related site improvements;

WHEREAS, in accordance with the Long Term Tax Exemption Law, the Owner on behalf of the Redeveloper submitted a written application (the "**Application**") to the Township for approval of a tax exemption for the Project, a copy of which is attached hereto as **Exhibit A**; and

WHEREAS, the Application stated and demonstrated that Project would not be viable without the tax exemption due to land costs and taxation issues at comparable sites in proximity to the Property; and

WHEREAS, the Township has concluded that (i) that the Redevelopment Area as a whole would benefit from the Project as it would lead to a "critical mass" of projects under way within the Redevelopment Area and lead to additional interest in investment from the development community; (ii) given differentials in land values and labor, taxation and utility costs, the Township's proximity to Pennsylvania requires a level of cooperation and diligence in attracting such investment; (iii) in the current economic circumstances, and in light of the competitive nature of warehouse and distribution space not only in Florence Township, but in the New Jersey Turnpike Exits 6-9 corridor, the proposed Project cannot move forward absent the incentives set forth in the financial agreement (as hereinafter defined); and (iv) that the Project will provide for the redevelopment of the Parcel into a productive, useful and job-creating property which is projected to result in the creation of both construction jobs and permanent jobs and that such a result is a direct benefit for the health, welfare and financial well-being of the Township; and

WHEREAS, to promote the viability of the Project and based on the Application, the Township desires to grant the requested tax exemption and approve a schedule of payments in lieu of taxes in accordance with the terms and provisions set forth in the financial agreement attached hereto as **Exhibit B** (the "**Financial Agreement**"); and

WHEREAS, the LTTE permits the use of financial agreements between municipalities and urban renewal entities to advance projects implementing a redevelopment plan for a duly designated redevelopment area; and

WHEREAS, the Project would be located in the Route 130 Redevelopment Area and would be constructed in accordance with the Redevelopment Plan; and

WHEREAS, the LTTE further requires that financial agreements entered into pursuant to its terms be approved by a municipal ordinance; and

WHEREAS, the Township Council desires to approve the Financial Agreement and authorize the Mayor to execute the same;

NOW THEREFORE BE IT ORDAINED BY THE TOWNSHIP COUNCIL OF THE TOWNSHIP OF FLORENCE as follows:

Section 1. Recitals. The recitals are fully incorporated herein.

Section 2. Approval of the Financial Agreement. The Financial Agreement substantially in the form attached hereto as Exhibit B, together with any non-substantive changes as may be required, are hereby approved. The schedule of Annual Service Charges as set forth in Exhibit C is hereby approved and shall be incorporated into the Financial Agreement without material change.

Section 3. Execution of the Financial Agreement. The Mayor of the Township of Florence, in the County of Burlington (the "Mayor") is hereby authorized and directed, upon satisfaction of all the legal conditions precedent to the execution and delivery by the Township of the Financial Agreement, to execute the Financial Agreement in substantially the form of the draft attached hereto and with such non-substantive changes, insertions and omissions thereto as the Mayor, after consultation with counsel to the Township, deems in the Mayor's sole discretion to be necessary or desirable for the execution thereof, which execution thereof shall conclusively evidence the Mayor's consent to any such changes thereto.

Section 4. Attestation and Sealing of the Financial Agreement. The Clerk of the Township is hereby authorized and directed, upon the execution of the Financial Agreement in accordance with the terms of Section 3 hereof, to attest to the signature of the Mayor upon such document and is hereby further authorized and directed thereupon affix the corporate seal of the Township upon such document.

Section 5. Implementation of the Financial Agreement. Upon the execution and attestation and placing of the seal on the Financial Agreement as contemplated by Sections 3 and 4 hereof, the Mayor and Township Administrator, together with the necessary staff and professionals of the Township, are hereby authorized and directed to (i) deliver the fully executed, attested and sealed document to the other parties thereto and (ii) perform such other actions as the Township Administrator deems necessary or desirable in relation to the execution and delivery of the Financial Agreement.

Section 6. Severability. If any part of this Ordinance shall be deemed invalid, such parts shall be severed and the invalidity thereby shall not affect the remaining parts of this Ordinance.

Section 7. Availability Of The Ordinance. A copy of this Ordinance shall be available for public inspection at the offices of the Township.

Section 8. Effective Date. This ordinance shall take effect in accordance law.

THEODORE J. LOVENDUSKI
Council President

JOY M. WEILER, RMC/MMC
Township Clerk

NOTICE OF PENDING ORDINANCE AND SUMMARY
ORDINANCE NO. 2016-08

PUBLIC NOTICE IS HEREBY GIVEN that an ordinance, the summary terms of which are included herein, was duly introduced and passed upon first reading at a regular meeting of the Township Council of the Township of Florence, in the County of Burlington, New Jersey, held on March 16, 2016. It will be further considered for final passage and adoption, after public hearing thereon, at a regular meeting of said Township Council to be held in the Municipal Building, 711 Broad Street, Florence, New Jersey on April 6, 2016 at 8:00 o'clock p.m. During the week prior to and up to and including the date of such meeting, copies of the full ordinance will be made available at no cost and during regular business hours, at the Township Clerk's office in the Municipal Building to the members of the general public who shall request the same. The summary of the terms of such ordinance follows:

Title: **ORDINANCE AUTHORIZING THE TOWNSHIP OF FLORENCE, IN THE COUNTY OF BURLINGTON, NEW JERSEY TO ENTER INTO A FINANCIAL AGREEMENT BETWEEN THE TOWNSHIP AND FIRST FLORENCE I URBAN RENEWAL, L.L.C. FOR CERTAIN PROPERTY WITHIN THE ROUTE 130 REDEVELOPMENT AREA**

Summary: 400 Cedar Lane, identified as Block 148.06, Lot 2 on the Tax Maps of the Township, is a roughly 33.36 acre site within the Township (referred to as the "Redevelopment Parcel") located within the Route 130 Redevelopment Area. On January 20, 2016, the Township adopted a redevelopment plan for the Redevelopment Parcel. The redevelopment plan is designed to facilitate development of a warehouse, distribution, and logistics center with ancillary office functions with an approximate size of 577,200 square feet, and related site improvements and off-tract improvements to be constructed on the Redevelopment Parcel.

This ordinance would approve a tax exemption for certain improvements to be constructed on the Redevelopment Parcel. The improvements would consist of a warehouse, distribution and logistics facility with accompanying office space and other permitted uses (the "Improvements") to be constructed with appurtenant site improvements. In exchange for the tax exemption for the Improvements, the Township would receive scheduled payments in lieu of taxes (called "Annual Service Charges") pursuant to a Financial Agreement to be approved by the Ordinance. The term for the Tax Exemption would be 20 years from the date the certificate(s) of occupancy are issued for the Improvements. The authorization for the Township to enter into the Financial Agreement is granted under Long Term Tax Exemption Law, N.J.S.A. 40A:20-1 et seq., which authorizes financial agreements as an incentive to construct projects in accordance with a redevelopment plan.

Copies of the Ordinance, the Financial Agreement to be approved thereunder and the schedule of Annual Service Charges are available for public inspection in the Office of the Florence Township Clerk.

JOY M. WEILER, RMC/MMC
Township Clerk